EXHIBIT B

Liquidation Analysis

LIQUIDATION ANALYSIS

INTRODUCTION

The Debtors believe that the *Joint Chapter 11 Plan of Franchise Group, Inc. and its Affiliated Debtors* [Docket No. 150] (as may be amended, revised, or supplemented from time to time, the "Plan") satisfies section 1129(a)(7) of the Bankruptcy Code and that each Holder of an Allowed Claim or Interest will receive value under the Plan on the Effective Date that is not less than the value such Holder would receive if the Debtors liquidated under chapter 7 of the Bankruptcy Code ("Chapter 7"). This liquidation analysis (the "Liquidation Analysis") and the conclusions set forth herein represent the Debtors' best judgment regarding the results of a hypothetical Chapter 7 liquidation. This Liquidation Analysis was prepared for the sole purpose of assisting the Bankruptcy Court in making the findings required under section 1129(a)(7) of the Bankruptcy Code and should not be used for any other purpose. Nothing contained in this Liquidation Analysis is intended as or constitutes a concession or admission for any purpose other than the presentation of a hypothetical Chapter 7 liquidation analysis for purposes of meeting the requirements of section 1129(a)(7) of the Bankruptcy Code. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Plan.

The first step in determining whether the best interests test has been met is to determine the dollar amount that would be generated from the hypothetical liquidation of the Debtors' assets in the context of a Chapter 7 liquidation. The gross amount of cash available would be the sum of the proceeds from the disposition of the Debtors' assets and the cash held by the Debtors at the time of the commencement of the Chapter 7 case. Such amount would then be reduced by the amount of: (a) any Claims secured by such assets; (b) the costs and expenses of the liquidation and such additional administrative expenses that may result from the termination of the Debtors' business and the use of Chapter 7 for the purposes of liquidation; and (c) chapter 11 Allowed Administrative Expenses, Allowed U.S. Trustee Fees, and Allowed Priority Tax Claims. Any remaining net cash would be allocated to creditors and, if applicable, shareholders in strict priority in accordance with Section 726 of the Bankruptcy Code.

A number of estimates and assumptions underlie the analysis. While the Debtors and their advisors consider these to be reasonable, they are inherently subject to significant uncertainties and contingencies beyond the control of the Debtors, their management, and their advisors. Independent accountants have not examined or reviewed this Liquidation Analysis. Moreover, no independent appraisals were conducted in preparing this Liquidation Analysis. This Liquidation Analysis does not purport to be a valuation of the Debtors' assets in the context of a going-concern reorganization.

THERE CAN BE NO ASSURANCE THAT THE VALUES REFLECTED IN THE LIQUIDATION ANALYSIS WOULD BE REALIZED IF THE DEBTORS WERE, IN FACT, TO LIQUIDATE UNDER CHAPTER 7.

The Liquidation Analysis contains an estimate of the value of Claims, to the extent such value can be reasonably estimated as of the date of the Liquidation Analysis, that ultimately will become Allowed Claims. The Debtors have not completed a final evaluation of, nor has the Bankruptcy Court determined, the amount of each such Claim. Accordingly, the final amount of Allowed Claims may differ from the Claim amounts presented in this Liquidation Analysis. The

Debtors do not believe that any variance between the estimates contained herein and the final Allowed Claims would have a material effect on the Liquidation Analysis for purposes of section 1129(a)(7) of the Bankruptcy Code.

The Debtors have determined, as summarized in the Liquidation Analysis, that confirmation of the Plan would provide Holders of Claims and Interests with a recovery that is not less than what they would otherwise receive in a Chapter 7 liquidation. The Debtors reserve all rights to supplement, modify, or amend this Liquidation Analysis, including by changing the assumptions and analyses set forth herein, at any time.

GENERAL NOTES AND ASSUMPTIONS

1. **Presentation on Consolidated Basis**. The Liquidation Analysis is presented on a consolidated basis with respect to certain Debtors. The Liquidation Analysis assumes that the Debtors would be liquidated in their jointly administered cases and that each Debtor would undertake a parallel liquidation. The Plan does not provide for the substantive consolidation of any of the Debtors. Any consolidation reflected in the Liquidation Analysis is solely for presentation purposes.

2. **Liquidation Date**. The Liquidation Analysis was prepared assuming that the Debtors hypothetically commence a liquidation under Chapter 7 on or about March 1, 2025 (the "Liquidation Date").

3. **Dependence on Forecasted Financials**. The Liquidation Analysis relies on estimates and assumptions drawn from the Debtors' books and records as of the Petition Date, rolled forward to the Liquidation Date. The Liquidation Analysis includes numerous estimated amounts that are still under review and remain subject to further legal and accounting analysis.

4. **Assets**. The Liquidation Analysis includes estimated value ranges for all assets where such estimates could reasonably be made under current facts and circumstances. The ranges utilized in the Liquidation Analysis include "lower" and "higher" estimates. There is no assurance that in an actual Chapter 7 liquidation, recoveries on any individual asset category, or in total, would be within the presented ranges. For purposes of the Liquidation Analysis, no value has been assigned to the Debtors' goodwill. The Liquidation Proceeds from Cash and Cash Equivalents are estimated to be 100% of the pro forma balance as of the Liquidation Date on both a lower and higher recovery basis, with the exception of the FRG Debtors (as defined below), where the lower recovery basis is estimated at 95% of the pro forma balance to account for potential negative variances in cash flows from operations prior to the Liquidation Date.

5. **Chapter 7 Liquidation Costs and Length of Liquidation Process**. Unless otherwise stated herein, it is assumed that the Bankruptcy Court would appoint a Chapter 7 trustee (the "Trustee") on the Liquidation Date to oversee the liquidation of the Debtors' estates, during which process substantially all of the Debtors' assets would be sold, abandoned, surrendered, or otherwise liquidated, as applicable, and the cash proceeds, net of liquidation-related costs, distributed in accordance with applicable law. These activities, together with claims reconciliation, dissolution of corporate entities, and other associated matters, are assumed to occur expeditiously and take approximately six months to complete. While it is possible that the liquidation period could be extended, this would increase the risk of additional liquidation costs and reduce overall distributable proceeds and recoveries. Trustee fees are estimated to be 3% of gross distributable proceeds.

6. **Claims Estimates**. The Liquidation Analysis contains an estimate of the amount of certain Claims that may ultimately become Allowed Claims. The Debtors developed the estimate for each type of Claim based on the Debtors' books and records as of the Petition Date. With respect to certain Debtors, the amount of certain Claims or Interests is undetermined as of the date of this Liquidation Analysis. Additional Claims or Interests may be asserted against the Debtors prior to the applicable deadlines for filing proofs of Claim or Interests in these Chapter 11

Cases, which, as of the date of this Liquidation Analysis, have not passed. The Liquidation Analysis assumes that all asset proceeds and creditor recoveries are at nominal amounts and does not consider the discounting of values over time. The discounting of values would result in lower recoveries to stakeholders than those presented.

7. Litigation Claims. The Liquidation Analysis does not include any estimated recoveries from the pursuit of any potential preferences, fraudulent conveyances, or other estate causes of action and does not include estimated costs associated with pursuing any such actions. As described in the Disclosure Statement, Petrillo is currently conducting an independent investigation into, among other things, potential claims and causes of actions that the Debtors' estates may have against Mr. Kahn, any of the Debtors' other current or former directors and officers, or any other third-parties arising from, or related to, certain historical transactions involving the Debtors. Moreover, Michael Wartell, an independent director of Debtors Freedom VCM Interco, Inc. and Freedom VCM, Inc., is currently conducting an independent investigation into potential claims and causes of actions that these Debtors' estates may have against certain parties. Subject to the completion of the investigations, the Debtors do not believe that any such claims and causes of action exist. Accordingly, no value has been assigned to any such claims and causes of action.

8. Tax Consequences. The Liquidation Analysis does not include estimates for the tax consequences that may be triggered upon the liquidation of the Debtors in the manner described above.

9. DIP Claims. The Liquidation Analysis assumes that in a Chapter 7 liquidation, DIP Claims would remain outstanding and would have to be satisfied in Cash. The Liquidation Analysis also assumes that in a Chapter 7 liquidation, each Borrower and Guarantor (as defined in the Final DIP Order) would be jointly and severally liable with respect to the DIP Claims. The Liquidation Analysis also assumes that in a Chapter 7 liquidation, the total available net distributable proceeds would not be sufficient to provide Holders of DIP Claims with a par recovery. The Liquidation Analysis does not adjust projected recoveries on DIP Claims in a Chapter 7 liquidation with respect to any Debtor on account of marshaling provisions provided in the Final DIP Order.

10. DIP Loans, Prepetition ABL Loans, and Prepetition First Lien Loans. The Liquidation Analysis assumes that upon conversion of the Chapter 11 Cases to Chapter 7, the DIP Agent, the ABL Credit Agreement Agent, and the First Lien Credit Agreement Agent would seek relief from the automatic stay to foreclose on the Debtors' assets under the jurisdiction of the Bankruptcy Court to recover on their outstanding Claims. The Holders of DIP Claims, Prepetition ABL Claims, and Prepetition First Lien Term Loan Claims would have the ability to recover on their respective secured positions on substantially all of the Debtors' assets, in accordance with the priorities of their respective liens on such assets, as set forth on Exhibit 2 to the Final DIP Order.

11. General Unsecured Claims. The estimate of General Unsecured Claims is based on the Debtors' Schedules of Assets and Liabilities. This estimate does not include any General Unsecured Claims for which the Claim amount is uncertain as of the date of this Liquidation Analysis. This estimate also does not include potential unsecured damages claims resulting from

the rejection of any Executory Contracts or Unexpired Leases. Additional General Unsecured Claims may be asserted against the Debtors prior to the applicable deadlines for filing proofs of Claim or Interests in these Chapter 11 Cases, which, as of the date of this Liquidation Analysis, have not passed.

12. Distribution of Net Proceeds. Administrative Expense Claims, Professional Fee Claims, Priority Tax Claims, and U.S. Trustee Fees that may arise in a liquidation scenario would be paid in full from the liquidation proceeds before the balance of those proceeds will be made available to pay pre-bankruptcy priority, secured, and general unsecured claims. Under the absolute priority rule pursuant to section 1129(b) of the Bankruptcy Code, no junior creditor of any Debtor would receive any distribution until all senior creditors of the Debtor are paid in full, and no equity holder of any Debtor would receive any distribution until all creditors of the Debtor are paid in full. The assumed distributions to creditors reflected in the Liquidation Analysis are estimated in accordance with the absolute priority rule.

SPECIFIC NOTES AND ASSUMPTIONS

Debtor Freedom VCM Holdings, LLC

A. Current Receivables. Debtor Freedom VCM Holdings, LLC ("Freedom TopCo") holds certain *de minimis* intercompany receivables. The Liquidation Analysis does not assume any recovery value with respect to the intercompany receivables.

B. Non-current Assets. These assets are composed of Freedom TopCo's direct equity interests in Debtor Freedom VCM Interco Holdings, Inc. and indirect equity interests in Franchise Group, Inc. The book value of such equity interests is undetermined as of the date of this Liquidation Analysis and the Liquidation Analysis does not ascribe any recovery value with respect to the equity interests. These assets are also composed of a receivable arising from a promissory note issued by Mr. Kahn to Freedom TopCo (the "Promissory Note Receivable"). Freedom TopCo's ability to recover any portion of the Promissory Note Receivable is uncertain as of the date of this Liquidation Analysis and no recovery value has been assigned to the Promissory Note Receivable.

C. Existing TopCo Equity Interests. The book value of the Existing TopCo Equity Interests is undetermined as of the date of this Liquidation Analysis. The Liquidation Analysis assumes that an allocation described in Section 3.3(c) of the Plan does not occur prior to the Liquidation Date. The Liquidation Analysis also assumes that no Cash at Freedom TopCo is used to pay any Freedom Allocated Fees and Expenses (as defined in the Final DIP Order), pursuant to ¶33 of the Final DIP Order, prior to the Liquidation Date.

D. Other Claims Against Freedom TopCo. The Liquidation Analysis assumes that no Claims or Interests, other than DIP Claims and Existing TopCo Equity Interests, exist against, or in, Freedom TopCo. This assumption is based on the Debtors' books and records as of the Petition Date. Additional Claims or Interests may be asserted against Freedom TopCo prior to the applicable deadlines for filing proofs of Claim or Interests in these Chapter 11 Cases, which, as of the date of this Liquidation Analysis, have not passed.

Debtors Freedom VCM Interco Holdings, Inc., Freedom VCM Receivables, Inc., and Freedom Receivables II, LLC (collectively, the "Receivables Debtors")

A. Current Receivables. Debtor Freedom Receivables II, LLC holds certain accounts receivable of W.S. Badcock Corporation (the "Tranche E Receivables"). The Liquidation Analysis assumes a lower recovery value of 40% and a higher recovery value of 85% with respect to the Tranche E Receivables. The value of the Tranche E Receivables is based on a review of the Receivables Debtors' unaudited books and records as of the Petition Date.

B. Non-current Assets. These assets are composed of Freedom VCM Interco Holdings, Inc.'s direct equity interests in Debtor Freedom VCM Interco, Inc. and indirect equity interests in Franchise Group, Inc. The book value of such equity interests is undetermined as of the date of this Liquidation Analysis and the Liquidation Analysis does not ascribe any recovery value with respect to the equity interests.

C. HoldCo Receivables General Unsecured Claims. These claims represent the residual claims in the Tranche E Receivables that Freedom VCM Interco Holdings, Inc. is contractually obligated to deliver to Conn's, Inc.

D. Other Claims Against the Receivables Debtors. The Liquidation Analysis assumes that no Claims or Interests, other than DIP Claims and claims related to the Tranche E Receivables, exist against the Receivables Debtors. This assumption is based on the Debtors' books and records as of the Petition Date. Additional Claims or Interests may be asserted against the Receivables Debtors prior to the applicable deadlines for filing proofs of Claim or Interests in these Chapter 11 Cases, which, as of the date of this Liquidation Analysis, have not passed.

Debtors Freedom VCM Interco, Inc. and Freedom VCM, Inc. (together, the "HoldCo Debtors")

A. Non-current Assets. These assets are composed of Debtors Freedom VCM Interco, Inc.'s indirect and Freedom VCM, Inc.'s direct equity interests in Franchise Group, Inc. The book value of such equity interests is undetermined as of the date of this Liquidation Analysis and the Liquidation Analysis does not ascribe any recovery value with respect to the equity interests.

B. Liquidation Costs. The Liquidation Analysis assumes no estimated recovery from the liquidation of the HoldCo Debtors' assets. In the event that any proceeds were realized from the liquidation of the HoldCo Debtors' assets, such proceeds would first be applied to satisfy any liquidation costs.

C. DIP Claims Against HoldCo Debtors. Under the Final DIP Order, the HoldCo Debtors are entitled to borrow DIP Loans, as needed, to fund the administrative expenses (if any) incurred by HoldCo Debtors during these Chapter 11 Cases. Moreover, under the Final DIP Order, the HoldCo Debtors are obligors under the DIP Facility solely to the extent of the DIP Loans that the HoldCo Debtors borrow to fund such administrative expenses (if any). Accordingly, DIP Claims could exist against the HoldCo Debtors, but the amount of any such DIP Claims is undetermined as of the date of this Liquidation Analysis.

D. Prepetition HoldCo Loan Claims. These claims represent the projected term loan balance as of the Petition Date under the HoldCo Credit Agreement, including accrued and unpaid interest and fees. The Liquidation Analysis provides a 0% recovery on Prepetition HoldCo Loan Claims on both a lower and higher recovery basis.

E. Other Claims Against the HoldCo Debtors. The Liquidation Analysis assumes that no Claims or Interests, other than contingent DIP Claims and Prepetition HoldCo Loan Claims, exist against the HoldCo Debtors. This assumption is based on the Debtors' books and records as of the Petition Date. Additional Claims or Interests may be asserted against the HoldCo Debtors prior to the applicable deadlines for filing Claims or Interest in these Chapter 11 Cases, which, as of the date of this Liquidation Analysis, have not passed.

Debtor Franchise Group, Inc. and Its Direct and Indirect Subsidiaries (collectively, the "FRG Debtors")

A. GOB Sale Process. The Liquidation Analysis assumes that an orderly liquidation of inventory and store level assets through a going out of business sale process (the "GOB Process") would generate greater recoveries than an immediate distressed sale by the Trustee. The Liquidation Analysis also assumes that a nationally known retail liquidator (the "Liquidator) would commence the GOB Process on or about the Liquidation Date at all of the FRG Debtors' locations. The Liquidation Analysis also assumes that the GOB Process would be completed in approximately 13 weeks, the FRG Debtors' remaining real property leases would be rejected, and the FRG Debtors' chapter 11 Cases would ultimately convert to a Chapter 7 liquidation. Recovery assumptions for the GOB Process are based on historical inventory appraisals, adjusted for certain factors. The Liquidation Analysis also assumes that the FRG Debtors' operations and estates would be fully wound down within 90 days of the conclusion of the GOB Process.

The Liquidation Analysis also assumes that the liquidation and wind down of the American Freight Debtors through the Store-Closing and Liquidation Sales would be completed prior to the Liquation Date.

B. Current Assets.

- **Current Receivables**. These assets are primarily composed of credit card and other trade receivables, rebate receivables, and franchise receivables. These assets may also include certain tax receivables, but the value of any such receivables is undetermined as of the date of the Liquidation Analysis. Recovery estimates for accounts receivable are brand-specific, made at the sub-classification level, and take certain factors into consideration, such as counterparty, aging, concentration, and potential offsets. Franchise receivables were assigned no recovery value under the assumption that franchise agreement would be rejected and such amounts would either be set-off against creditors' claim amounts, or would be challenging to collect in a liquidation scenario. The analysis resulted in a blended lower recovery estimate of approximately 49% and a higher recovery estimate of approximately 68%.

- **Inventory**. Eligible on-hand inventory as of the Liquidation Date is assumed to result in a lower recovery estimate of 64% and a higher recovery estimate of 80%. This level of recovery has been informed by the net orderly liquidation value range contained within an appraisal the FRG Debtors received, adjusted for certain factors. Inventory appraisals and recoveries are based on brand-specific assumptions. The estimated recovery also assumes that "equity bids" are received from liquidators and that the recoveries are net of store related liquidation expenses, including items such as payroll and rent.

- **Prepaid Expenses & Other Current Assets**. These assets consist of prepaid items that may be irrecoverable in the event of a liquidation, including prepaid IT, advertising, rent, insurance, taxes and other expenses that are amortized over the applicable license, rental, or other period. These items have been examined

individually and on a brand-specific basis. On a blended basis, an 17% to 34% recovery has been estimated for these prepaid amounts, on a lower and a higher recovery basis, respectively.

C. Non-current Assets.

- **Property, Plant and Equipment (PP&E)**. The net book value of PP&E consists of leasehold improvements, furniture, fixtures, equipment, software, and vehicles. Recovery value is based on a review of the fixed asset registers for each of the Debtors' brand and informed by previous liquidations of similar properties. No recovery has been assigned to construction-in-progress and financing leases of right-of-use assets, as these assets are not owned by the FRG Debtors. Minimal recovery has been assigned to software asset, as these are either capitalized software investments or bespoke assets with limited recovery value. In total, the implied recovery of PP&E relative to net book value is 2% on a lower recovery estimate and 5% on a higher recovery estimate.

- **Non-current Notes & Other Receivables**. No recovery value has been assigned to the value of the FRG Debtors' notes and other non-current receivables, which primarily consist of franchise receivables. All franchise agreements are assumed to be rejected as part of the liquidation process.

- **Other Intangible Assets**. These assets include the FRG Debtors' other intangible assets, including but not limited to trade names (along with their associated logos and URLs). The value of trade names was estimated by examining actual trade name transactions that resulted from the liquidations of other retailers. The value of the trade names was estimated to be $0.9 million to $14.3 million on a lower and higher recovery basis, respectively. The FRG Debtors' Liquidation Analysis assumes that all franchise agreements and customer contracts are rejected as of the Liquidation Date and no value is recoverable. On a blended basis, the recovery is approximately 0.1% to 1.5% of net book value on a lower and higher recovery basis, respectively.

- **Right-of-Use and Other Assets**. The net book value of Right-of-Use and Other Assets primarily consists of operating lease right of use assets, as well as deposits for rent and utilities. Deposits were similarly deemed to have partial value under the assumption that those amounts would be set-off against creditors' claim amounts. Items have been examined individually and on a brand-specific basis. The recovery value of these assets is estimated to be between $0.5 million (4%) to $1.5 million (11%) on a lower and higher recovery basis, respectively.

D. Non-Operating Assets. The Liquidation Analysis assumes that all non-operating assets would be disposed of through sale, liquidation, termination and/or abandonment, as appropriate.

E. Estimate of Net Proceeds. The FRG Debtors would liquidate the majority of other assets during the liquidation period. The Liquidation Analysis relies on near-term cash forecasts, adjusted for the GOB Process, to estimate the value of Cash & Cash Equivalents, credit card receivables, trade receivables, inventory, and postpetition liabilities, among other assets and liabilities.

There is no assurance that an orderly liquidation could be completed during the liquidation period or that the assumed net orderly liquidation value would be realized.

F. Liquidation Costs. The Liquidation Analysis assumes that the Liquidator would acquire the FRG Debtors' assets pursuant to an "equity bid" and, therefore, would be responsible for all store operating expenses during the liquidation period. The FRG Debtors would be responsible for corporate-related wind down costs, professional fee expenses, and Trustee fees. The liquidation costs estimate assumes a conversion to a Chapter 7 proceeding immediately after the completion of the GOB Process.

G. Capital Leases. The Liquidation Analysis assumes that assets subject to capital leases (generally leased furniture and computer hardware) will be returned to the lessor. The Liquidation Analysis has not estimated any applicable deficiency claims associated with such leases.

H. Prepetition ABL Claims. These claims represent the aggregate principal amount outstanding under the ABL Credit Agreement, plus any accrued and unpaid interest and fees, and outstanding letters of credit as of the Liquidation Date. The Liquidation Analysis provides a 100% recovery on these claims on both a lower and higher recovery estimate.

I. Prepetition First Lien Loan Claims. These claims represent the projected term loan balance, including accrued interest and fees, as of the Liquidation Date under the First Lien Credit Agreement. The Liquidation Analysis provides a 0% recovery on these claims on both a lower and higher recovery basis.

J. Prepetition Second Lien Loan Claims. These claims represent the projected term loan balance as of the Liquidation Date under the Second Lien Credit Agreement, including accrued and unpaid interest and fees. The Liquidation Analysis provides a 0% recovery on these claims on both a lower and higher recovery basis.

Debtors WNW Franchising, LLC, WNW Stores, LLC, and Franchise Group Intermediate L, LLC

A. Excluded Entities. WNW Franchising, LLC ("WNW Franchising") and WNW Stores, LLC ("WNW Stores" and together with WNW Franchising, the "WNW Entities") are neither Borrowers nor Guarantors under the First Lien Credit Agreement, the Second Lien Credit Agreement, nor the ABL Credit Agreement. As a result, the recoveries from the hypothetical liquidation of the WNW Entities are presented separate from the FRG Debtors.[1] All balances related to the FRG Debtors exclude the WNW Entities' balances.

B. WNW Franchising Current Assets. The Liquidation Analysis assumes that WNW Franchising would be subject to a liquidation strategy consistent with the other FRG Debtors and, accordingly, the Liquidation Analysis uses an asset recovery methodology that is substantially consistent with the other FRG Debtors.

- **Current Receivables**. These assets are primarily composed of intercompany receivables with other FRG Debtor entities. No recovery is assumed on the intercompany receivables. The assumed recovery on non-intercompany receivables is $0.003 million and $0.021 million, representing a blended recovery of 0.2% and 1.3%, on a lower and higher recovery basis respectively.

- **Prepaid Expenses & Other Current Assets**. These assets consist of prepaid items that may be irrecoverable in the event of a liquidation, including prepaid IT, advertising, rent, insurance, taxes and other expenses that are amortized over the applicable license, rental, or other period. On a blended basis, a 13% to 25% recovery has been estimated for these prepaid amounts, on a lower and a higher recovery basis, respectively.

- **Property, Plant and Equipment (PP&E)**. The net book value of PP&E consists of a 2022 Chevrolet Equinox 5552. The implied recovery of PP&E relative to net book value is 16% on a lower recovery estimate and 19% on a higher recovery estimate.

- **Other Intangible Assets**. The net book value includes the value of trade names and franchise agreements. The value of the trade names was estimated by examining actual trade name transactions that resulted from the liquidations of other retailers. The value of the trade names was estimated to be $0 on both a lower and higher recovery basis. The Liquidation Analysis assumes that all franchise agreements and customer contracts are rejected as of the Liquidation Date and no value is recoverable.

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[1] Franchise Group Intermediate L, LLC is also an excluded entity and therefore neither Borrower nor Guarantor under the FRG Debtors' First Lien Credit Agreement, Second Lien Credit Agreement, or ABL Credit Agreement. Based on a review of the books and records of Franchise Group Intermediate L, LLC, there are no assets or liabilities at this entity and therefore no balances related to this entity are included within the Liquidation Analysis.

C. WNW Stores Current Assets. The Liquidation Analysis assumes that WNW Stores would be subject to a liquidation strategy consistent with the other FRG Debtors and, accordingly, the Liquidation Analysis uses an asset recovery methodology that is substantially consistent with the other FRG Debtors.

- **Inventory**. Eligible inventory as of the Liquidation Date, which is comprised of in-transit and on-hand inventory, is assumed to result in a lower recovery estimate of 60% and a higher recovery estimate of 96%. This level of recovery has been informed by the net orderly liquidation value range contained within an appraisal of the FRG Debtors received related to certain other FRG Debtors, adjusted for certain factors. The estimated recovery assumes that "equity bids" are received from liquidators and that the recoveries are net of store related liquidation expenses, including items such as payroll and rent.

- **Prepaid Expenses & Other Current Assets**. Prepaid Expenses & Other Current Assets consist of prepaid items that may be irrecoverable in the event of a liquidation, including prepaid IT, advertising, rent, insurance, taxes and other expenses that are amortized over the applicable license, rental, or other period. These items have been examined individually and on a brand-specific basis. On a blended basis, a 20% to 40% recovery has been estimated for these prepaid amounts, on a lower and a higher recovery basis, respectively.

- **Property, Plant and Equipment (PP&E)**. The net book value of PP&E consists primarily of leasehold and other improvements. The implied recovery of PP&E relative to net book value is 2% on a lower recovery estimate and 7% on a higher recovery estimate.

D. WNW Franchising/WNW Stores Liquidation Costs. WNW Franchising wind down costs, including professional fees, are estimated at $0.0 million to $0.1 million, capped at asset recoveries, on a lower and higher recovery basis, respectively. WNW Stores wind down costs, including professional fees, are estimated at $0.6 million, capped at asset recoveries on a lower recovery basis. Chapter 7 Trustee fees are estimated at 3.0% of gross distributable proceeds, recognizing that when the Chapter 7 Trustee would be appointed following the 3-month orderly liquidation, the estates' assets would largely consist of cash.

E. Claims Against WNW Franchising/WNW Stores. The total amount of Claims, other than DIP Claims, against the WNW Entities is undetermined as of the date of this Liquidation Analysis. The Liquidation Analysis provides a 0% recovery on any such claims on both a lower and higher recovery basis.

[*Liquidation Analysis Follows*]

Freedom VCM Holdings, LLC
Hypothetical Liquidation Analysis

($ million)

	Estimated Book Value as of 3/1/25	Estimated Recovery Value		Estimated Recovery %		Note
		Lower	Higher	Lower	Higher	
Current Assets						
Cash & Cash Equivalents	13.2	13.2	13.2	100.0%	100.0%	**[General Notes]**
Current Receivables, net	0.0	-	-	0.0%	0.0%	**[A]**
Total Current Assets	**13.2**	**13.2**	**13.2**	**100.0%**	**100.0%**	
Non-Current Assets						**[B]**
Other Assets, net - Equity Interests in Subsidiaries	Undetermined	-	-	0.0%	0.0%	
Other Assets, net - Promissory Note Receivable	15.5	-	-	0.0%	0.0%	
Total Non-Current Assets	**15.5**	**0.0**	**0.0**	**0.0%**	**0.0%**	
Total Assets & Recovery Estimate	**28.8**	**13.2**	**13.2**	**46.0%**	**46.0%**	

Liquidation Costs	Estimated Liquidation Costs		
	Lower	Higher	
Estate Wind-down Costs	(0.4)	(0.3)	
Professional Fees	(0.3)	(0.3)	
Chapter 7 Trustee Fees	(0.4)	(0.4)	
Total Liquidation Adjustments	**(1.1)**	**(1.0)**	**[General Notes]**
Net Proceeds Available for Distribution to Creditors	**12.1**	**12.3**	

Allocation of Net Proceeds Available for Distribution to Creditors	Estimated Claim Amount	Estimated Recovery Value		Estimated Recovery %		
		Lower	Higher	Lower	Higher	
DIP Claims	**788.5**					
DIP Claims Recovery Value		12.1	12.3	1.5%	1.6%	
Priority Non-Tax Claims (Class 1)	**0.0**					**[D]**
Priority Non-Tax Recovery		0.0	0.0	0.0%	0.0%	
Other Secured Claims (Class 2)	**0.0**					**[D]**
Other Secured Recovery		0.0	0.0	0.0%	0.0%	
TopCo General Unsecured Claims (Class 8-C)	**0.0**					**[D]**
HoldCo General Unsecured Claims Recovery		0.0	0.0	0.0%	0.0%	
Subordinated Claims (Class 10)	**0.0**					**[D]**
Subordinated Claims Recovery		0.0	0.0	0.0%	0.0%	
Existing TopCo Equity Interests (Class 11)	**Undetermined**					**[C]**
Existing TopCo Equity Interests Recovery		0.0	0.0	0.0%	0.0%	

Freedom VCM Interco Holdings, Inc., Freedom Receivables II, LLC, and Freedom VCM Receivables, Inc. Hypothetical Liquidation Analysis

($ million)

	Estimated Book Value as of 3/1/25	Estimated Recovery Value Lower	Estimated Recovery Value Higher	Estimated Recovery % Lower	Estimated Recovery % Higher	Note
Current Assets						
Cash & Cash Equivalents	0.0	0.0	0.0	100.0%	100.0%	**[General Notes]**
Current Receivables, net	37.9	15.1	32.2	40.0%	85.0%	**[A]**
Total Current Assets	**37.9**	**15.2**	**32.2**	**40.0%**	**85.0%**	
Non-Current Assets						**[B]**
Other Assets, net - Equity Interests in Subsidiaries	Undetermined	-	-	0.0%	0.0%	
Total Non-Current Assets	**0.0**	**0.0**	**0.0**	**0.0%**	**0.0%**	
Total Assets & Recovery Estimate	**37.9**	**15.2**	**32.2**	**40.0%**	**85.0%**	

Liquidation Costs	Estimated Liquidation Costs Lower	Estimated Liquidation Costs Higher	Note
Estate Wind-down Costs	(0.6)	(0.5)	
Professional Fees	(0.3)	(0.3)	
Chapter 7 Trustee Fees	(0.5)	(1.0)	
Total Liquidation Adjustments	**(1.4)**	**(1.7)**	**[General Notes]**
Net Proceeds Available for Distribution to Creditors	**13.8**	**30.5**	

Allocation of Net Proceeds Available for Distribution to Creditors	Estimated Claim Amount	Estimated Recovery Value Lower	Estimated Recovery Value Higher	Estimated Recovery % Lower	Estimated Recovery % Higher	Note
DIP Claims	**788.5**					
DIP Claims Recovery		13.8	30.5	1.7%	3.9%	**[General Notes]**
Priority Non-Tax Claims (Class 1)	**0.0**					**[D]**
Priority Non-Tax Recovery		0.0	0.0	0.0	0.0	
Other Secured Claims (Class 2)	**0.0**					**[D]**
Other Secured Recovery		0.0	0.0	0.0	0.0	
HoldCo Receivables General Unsecured Claims (Class 8-B)	**37.9**					**[C]**
General Unsecured Claims Recovery		0.0	0.0	0.0	0.0	
Subordinated Claims (Class 10)	**0.0**					**[D]**
Subordinated Claims Recovery		0.0	0.0	0.0	0.0	

Freedom VCM Interco, Inc. & Freedom VCM, Inc.
Hypothetical Liquidation Analysis

($ million)

	Estimated Book Value as of 3/1/25	Estimated Recovery Value Lower	Estimated Recovery Value Higher	Estimated Recovery % Lower	Estimated Recovery % Higher	Note
Non-Current Assets						
Other Assets, net - Equity Interests in Subsidiaries	Undetermined	-	-	0.0%	0.0%	[A]
Total Non-Current Assets	**0.0**	**0.0**	**0.0**	**0.0%**	**0.0%**	
Total Assets & Recovery Estimate	**0.0**	**0.0**	**0.0**	**0.0%**	**0.0%**	

Liquidation Costs	Estimated Liquidation Costs Lower	Estimated Liquidation Costs Higher	Note
Estate Wind-down Costs	-	-	
Professional Fees	-	-	
Chapter 7 Trustee Fees	-	-	
Total Liquidation Adjustments	**-**	**-**	[B]
Net Proceeds Available for Distribution to Creditors	**0.0**	**0.0**	

Allocation of Net Proceeds Available for Distribution to Creditors	Estimated Claim Amount	Estimated Recovery Value Lower	Estimated Recovery Value Higher	Estimated Recovery % Lower	Estimated Recovery % Higher	Note
DIP Claims	**Undetermined**					[C]
DIP Claims Recovery		0.0	0.0	0.0%	0.0%	
Prepetition HoldCo Loan Claims (Class 7)	**560.7**					[D]
Prepetition HoldCo Loan Claims Recovery		0.0	0.0	0.0%	0.0%	
Priority Non-Tax Claims (Class 1)	**0.0**					[E]
Priority Non-Tax Recovery		0.0	0.0	0.0%	0.0%	
Other Secured Claims (Class 2)	**0.0**					[E]
Other Secured Recovery		0.0	0.0	0.0%	0.0%	
Freedom HoldCo General Unsecured Claims (Class 8-A)	**0.0**					[E]
HoldCo General Unsecured Claims Recovery		0.0	0.0	0.0%	0.0%	
Subordinated Claims (Class 10)	**0.0**					[E]
Subordinated Claims Recovery		0.0	0.0	0.0%	0.0%	

Franchise Group, Inc. and its direct and indirect subsidiaries
Consolidated Hypothetical Liquidation Analysis

($ million)

	Estimated Book Value as of 3/1/25	Estimated Recovery Value Lower	Estimated Recovery Value Higher	Estimated Recovery % Lower	Estimated Recovery % Higher	Note
Current Assets						
Cash & Cash Equivalents	251.9	239.3	251.9	95.0%	100.0%	[General Notes]
Current Receivables, net	69.9	34.0	47.3	48.7%	67.7%	[B]
Inventory, net	358.8	230.7	287.1	64.3%	80.0%	[B]
Prepaid Expenses & Other Current Assets	27.3	4.7	9.4	17.2%	34.4%	[B]
Total Current Assets	**707.9**	**508.8**	**595.7**	**71.9%**	**84.2%**	
Non-Current Assets						
Property, Plant & Equipment, net	144.6	2.7	7.1	1.9%	4.9%	[C]
Notes & Other Receivables, Non-Current	-	-	-	0.0%	0.0%	[C]
Goodwill	848.2	-	-	0.0%	0.0%	[C]
Other Intangible Assets, net	978.5	0.9	14.3	0.1%	1.5%	[C]
Right-of-Use Assets	480.6	-	-	0.0%	0.0%	[C]
Other Assets, net	13.1	0.5	1.5	3.8%	11.3%	[C]
Total Non-Current Assets	**2,464.9**	**4.1**	**22.9**	**0.2%**	**0.9%**	
Total Assets & Recovery Estimate	**3,172.8**	**512.9**	**618.6**	**16.2%**	**19.5%**	

Liquidation Costs	Estimated Liquidation Costs Lower	Estimated Liquidation Costs Higher	Note
			[F]
Estate Wind-down Costs	(27.7)	(22.2)	
Professional Fees	(33.0)	(26.4)	
Chapter 7 Trustee Fees	(15.4)	(18.6)	
Total Liquidation Adjustments	**(76.1)**	**(67.1)**	[General Notes]
Net Proceeds Available for Distribution to Creditors	**436.9**	**551.5**	[E]

Allocation of Net Proceeds Available for Distribution to Creditors	Estimated Claim Amount	Estimated Recovery Value Lower	Estimated Recovery Value Higher	Estimated Recovery % Lower	Estimated Recovery % Higher	Note
Proceeds From ABL Priority Collateral						
Cash & Cash Equivalents		120.0	123.0			
Current Receivables, Net		33.8	46.6			
Inventory, net		230.7	287.1			
Liquidation Cost		(70.3)	(60.5)			
Total Net Proceeds From ABL Collateral		**314.2**	**396.2**			
Prepetition ABL Loan Claims (Class 3)	**262.9**					[H]; [General Notes]
Prepetition ABL Loan Claims Recovery		262.9	262.9	100.0%	100.0%	
Surplus Proceeds From ABL Priority Collateral Available for Distribution to Other Creditors		51.4	133.3			
Proceeds From DIP Collateral That is Not ABL-Priority Collateral						
Cash & Cash Equivalents		119.4	129.0			
Current Receivables, Net		0.2	0.7			
Prepaid Expenses & Other Current Assets		4.7	9.4			
Property, Plant & Equipment, net		2.7	7.1			
Other Intangible Assets, net		0.9	14.3			
Other Assets, net		0.5	1.5			
Liquidation Cost		(5.8)	(6.6)			
Total Net Proceeds Available for Distribution to Other Creditors		**174.0**	**288.6**			
DIP Claims	**788.5**					[General Notes]
DIP Claims Recovery		174.0	288.6	22.1%	36.6%	
Prepetition First Lien Loan Claims (Class 4)	**631.8**					[I]; [General Notes]
Prepetition First Lien Loan Claims Recovery		0.0	0.0	0.0%	0.0%	
Prepetition Second Lien Loan Claims (Class 5)	**137.6**					[J]
Prepetition Second Lien Loan Claims Recovery		0.0	0.0	0.0%	0.0%	
Priority Non-tax Claims (Class 1)	**Undetermined**					[General Notes]
Priority Non-tax Claims Recovery		0.0	0.0	0.0%	0.0%	
Other Secured Claims (Class 2)	**Undetermined**					[General Notes]
Other Secured Claims Recovery		0.0	0.0	0.0%	0.0%	
General Unsecured Claims (Classes 6-A, 6-B, 6-C, 6-D and 6-E)	**61.4**					[General Notes]
General Unsecured Claims Recovery		0.0	0.0	0.0%	0.0%	
Subordinated Claims (Class 10)	**0.0**					[General Notes]
Subordinated Claims Recovery		0.0	0.0	0.0%	0.0%	

WNW Franchising, LLC, WNW Stores, LLC, and Franchise Group Intermediate L, LLC
Consolidated Hypothetical Liquidation Analysis

($ million)

	Estimated Book Value as of 3/1/25	Estimated Recovery Value Lower	Estimated Recovery Value Higher	Estimated Recovery % Lower	Estimated Recovery % Higher	Note
WNW Franchising Assets						
Cash & Cash Equivalents	0.0	0.0	0.0	100.0%	100.0%	[B]
Current Receivables, net	1.5	0.0	0.0	0.2%	1.3%	[B]
Prepaid Expenses & Other Current Assets	0.0	0.0	0.0	12.6%	25.1%	[B]
Property, Plant & Equipment, net	0.0	0.0	0.0	15.5%	18.5%	[B]
Other Intangible Assets, net	0.0	-	-	0.0%	0.0%	[B]
Liquidation Costs		(0.0)	(0.1)			[D]
Net WNW Franchising Assets Available for Distribution to Creditors	**1.6**	**-**	**-**			

Allocation of Net Proceeds Available for Distribution to Creditors	Estimated Claim Amount	Estimated Recovery Value Lower	Estimated Recovery Value Higher	Estimated Recovery % Lower	Estimated Recovery % Higher	
DIP Claims	**788.5**					[General Notes]
DIP Claims Recovery		0.0	0.0	0.0%	0.0%	
WNW Franchising All Other Claims	**Undetermined**					[E]
WNW Franchising All Other Claims Recovery		0.0	0.0	0.0%	0.0%	

	Estimated Book Value as of 3/1/25	Estimated Recovery Value Lower	Estimated Recovery Value Higher	Estimated Recovery % Lower	Estimated Recovery % Higher	Note
WNW Stores Assets						
Cash & Cash Equivalents	0.0	0.0	0.0	100.0%	100.0%	[C]
Inventory, net	0.9	0.5	0.8	60.0%	96.1%	[C]
Prepaid Expenses & Other Current Assets	0.2	0.0	0.1	19.8%	39.6%	[C]
Property, Plant & Equipment, net	2.3	0.1	0.2	2.2%	6.5%	[C]
Liquidation Costs		(0.6)	(0.6)			[D]
Net WNW Stores Assets Available for Distribution to Creditors	**3.4**	**-**	**0.4**			

Allocation of Net Proceeds Available for Distribution to Creditors	Estimated Claim Amount	Estimated Recovery Value Lower	Estimated Recovery Value Higher	Estimated Recovery % Lower	Estimated Recovery % Higher	
DIP Claims	**788.5**					[General Notes]
DIP Claims Recovery		0.0	0.4	0.0%	0.1%	
WNW Stores All Other Claims	**Undetermined**					[E]
WNW Stores All Other Claims Recovery		0.0	0.0	0.0%	0.0%	